



The *Inpatient Rehabilitation Facility Prospective Payment System Fact Sheet*, which provides information about Inpatient Rehabilitation Facility Prospective Payment System rates and classification criterion, is now available in downloadable format on the CMS Medicare Learning Network Publications Page located at <http://www.cms.hhs.gov/MLNProducts/downloads/IRFPPSFactSheet0307.pdf>.

MLN Matters Number: MM5587

Related Change Request (CR) #: 5587

Related CR Release Date: April 27, 2007

Effective Date: April 27, 2007

Related CR Transmittal #: R2740TN

Implementation Date: July 2, 2007

## Invalid Skilled Nursing Facility (SNF) Informational Unsolicited Responses (IURs) from Medicare's Common Working File (CWF) System

### Provider Types Affected

Physicians, suppliers, and providers who submit claims to Medicare contractors (fiscal intermediaries (FIs), carriers, Part A/B Medicare Administrative Contractors (A/B MACs), durable medical equipment (DME) regional carriers (DMERCs), DME Medicare Administrative contractors (DME/MACs), and/or regional home health intermediaries (RHHIs)).

### Provider Action Needed



#### STOP – Impact to You

Medicare systems may have inadvertently rejected outpatient, Part B, and DME claims that overlapped periods of a SNF stay by a beneficiary, whose Medicare SNF benefits were exhausted and for whom a non-pay SNF claim was submitted to Medicare.



#### CAUTION – What You Need to Know

This problem may have affected some of your claims processed by Medicare from October 2, 2006 until January 29, 2007, when Medicare systems were fixed.



#### GO – What You Need to Do

You need not take any action as your Medicare contractor will take steps to adjust any claims affected and to reverse or stop any payment recovery actions. See the Background section for more details.

#### Disclaimer

This article was prepared as a service to the public and is not intended to grant rights or impose obligations. This article may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations and other interpretive materials for a full and accurate statement of their contents.

## Background

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Providers need to be aware that the Centers for Medicare & Medicaid Services (CMS) has identified an issue with processing outpatient, Part B, and DME claims for beneficiaries who are in a SNF, but whose Medicare coverage for the SNF stay has ended. In October of 2006 Change Request (CR) 4292 (Benefits Exhaust and No-Payment for Medicare FIs and SNFs) was implemented. CR4292 (see *Additional Information* section for the CMS website address of CR4292) mandated that providers submit ALL SNF non-pay claims after benefits were exhausted to allow CMS to track the beneficiary's benefit period.

Medicare system changes relating to CR4292 caused outpatient, Part B, and DME paid claims that overlap non-pay SNF claims to be rejected. **This is an error and your Medicare contractor will adjust claims or payment recovery actions resulting from this problem.** The CWF coding change to fix this problem was effective and in production on January 29, 2007 and CWF will provide a list of claims to the applicable contractors to allow for corrections and payment to be made to providers.

## Key Points

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CMS has directed Medicare contractors to correct any claims that were adjusted as a result of the problem with implementation of CR4292.

- Any providers whose claims were impacted will be paid any payment recovered to include any interest charged.
- Where the payment recovery has not occurred, the Medicare contractor will stop such action.

## Additional Information

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For complete details regarding this CR please see the official instruction (CR5587) issued to your Medicare carrier, FI, A/B MAC, DME MAC, DMERC, or RHHI. That instruction may be viewed by going to

<http://www.cms.hhs.gov/Transmittals/downloads/R2740TN.pdf> on the CMS website.

If you have questions, please contact your Medicare carrier, FI, A/B MAC, DME MAC, DMERC, or RHHI, at their toll-free number which may be found at:

<http://www.cms.hhs.gov/MLNProducts/downloads/CallCenterTollNumDirectory.zip> on the CMS website. The *MLN Matters* article for CR4292, *Benefits Exhaust and No-Payment for Medicare FIs and SNFs*, can be viewed at <http://www.cms.hhs.gov/MLNMattersArticles/downloads/MM4292.pdf> on the CMS website.

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